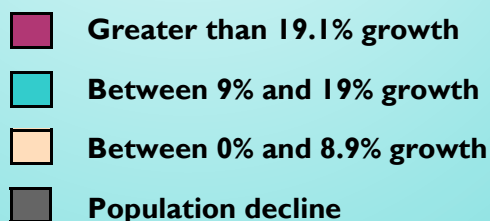
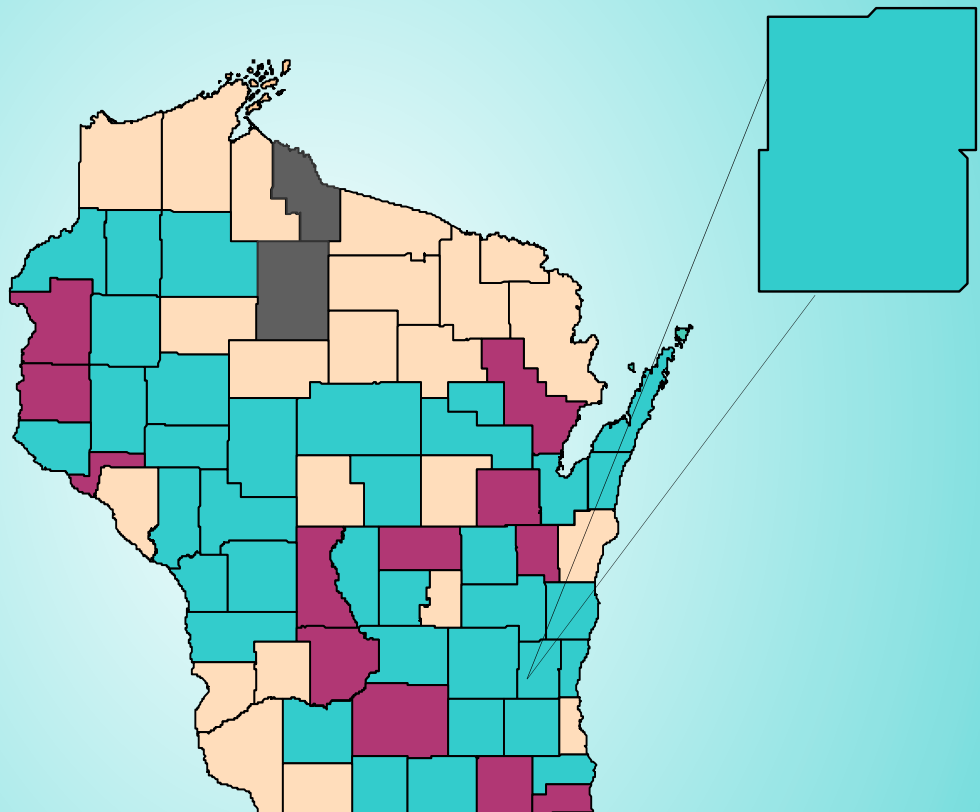


Washington County Workforce Profile

Projected population growth from 2000 to 2020



Source: Wisconsin Department of Administration, Demographic Services Center.
Statewide population growth is projected to be 13.9 percent from 2000 to 2020.



County Population

From 1990 to 2000, Washington County's population grew just over 23 percent adding approximately 22,000 new residents over this period. Washington was the second fastest growing county in Wisconsin behind St. Croix (25.7%) and tied with Walworth County. In the 20-month period between the release of the 2000 Census data and January 2002, Washington County continued to grow rapidly adding 2.5 percent (+3,000) more residents. Washington County's current growth rate ranks 15th fastest of Wisconsin's 72 counties. The smaller towns and villages of the county seem to have experienced faster increases than the larger burghs. This is not surprising as central urban areas in many counties, large and small, and in this case, the City of West Bend, have grown more slowly than the smaller communities along major thoroughfares such as U.S. Hwy. 41 and State Hwy. 60.

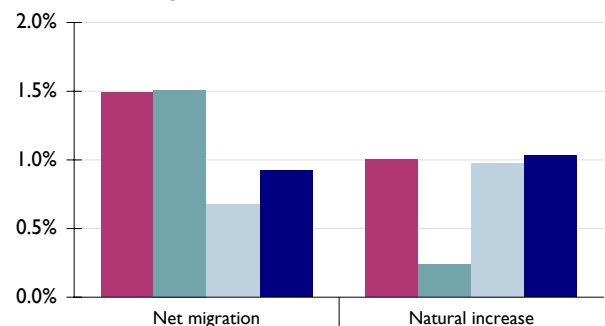
Two out of every three new Washington County residents came via inward migration. The remaining resident came by a net natural increase (births outnumbering deaths). This pattern of population growth is typical of non-metropolitan counties, though Washington County is technically a member of the Milwaukee-Waukesha Metropolitan Statistical Area. Washington County is the most rural county of the four-county MSA with just over one-third of its population living in rural communities. This helps explain the rapid growth of population given that there has been quite a bit of movement

Total Population

	April 2000 Census	January 1, 2002 estimate	Percent change
United States	281,421,906	286,923,000	2.0%
Wisconsin	5,363,701	5,453,896	1.7%
Washington County	117,496	120,429	2.5%
Largest Municipalities			
West Bend, City	28,152	28,630	1.7%
Germantown, Village	18,260	18,708	2.5%
Hartford, City*	10,895	11,420	4.8%
Richfield, Town	10,373	10,579	2.0%
Jackson, Village	4,938	5,316	7.7%
West Bend, Town	4,834	4,822	-0.2%
Trenton, Town	4,440	4,494	1.2%
Hartford, Town	4,031	4,062	0.8%
Slinger, Village	3,901	4,048	3.8%
Polk, Town	3,938	3,982	1.1%

* Washington County portion only

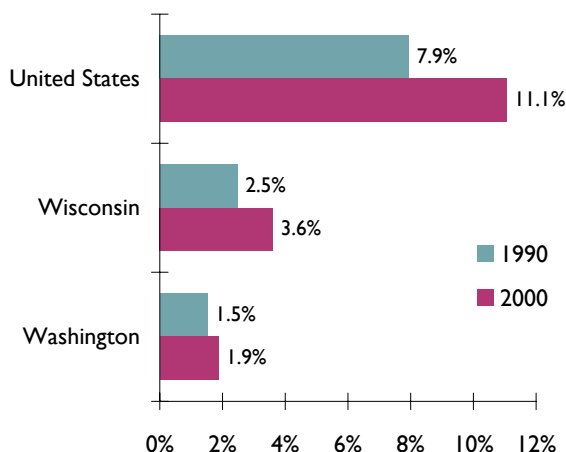
Net migration and natural increase



Washington Co.	1.49%	1.00%
Non-metro WI	1.51%	0.24%
Metropolitan WI	0.67%	0.98%
United States	0.92%	1.03%

Source: Wisconsin DOA, Demographic Services Center & US Census Bureau

Share of Foreign-born Residents



Source: US Dept. of Commerce, Census 2000, Summary file-4, QT-P14

from urban Milwaukee into smaller, less densely populated communities that are close to this urban center.

Washington County's future population growth is projected to be 18 percent from 2000 to 2020, which would mean that Washington County will gain approximately 21,150 new residents. Interestingly, this projection is a bit higher in growth than the present pace of population increase would indi-

(Continued on page 2)

Washington County Workforce Profile

Population Projections by Age Groups in Washington County

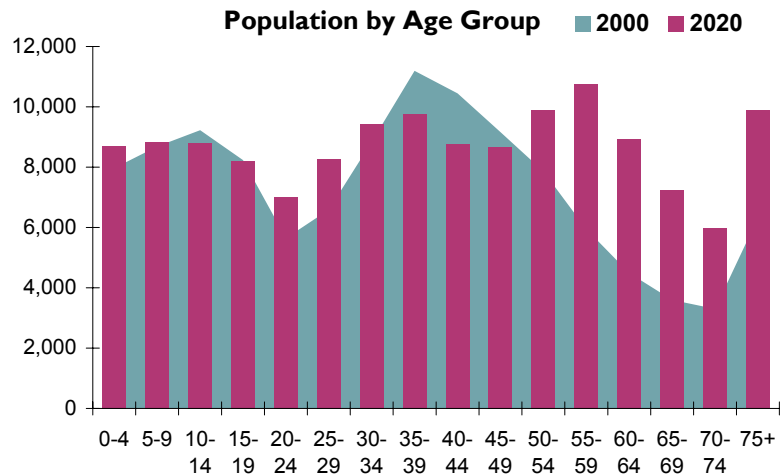
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-69	70-74	75+
2000																
Male	4,019	4,518	4,826	4,315	2,989	3,316	4,392	5,585	5,320	4,614	3,963	2,943	2,258	1,767	1,451	2,332
Female	3,951	4,169	4,398	3,920	2,656	3,271	4,446	5,608	5,126	4,547	3,897	3,003	2,231	1,831	1,847	3,984
2005																
Male	3,983	4,415	4,710	4,656	3,554	3,415	3,734	4,848	5,844	5,402	4,525	3,760	2,680	2,012	1,575	2,618
Female	3,817	4,346	4,352	4,126	3,226	3,248	3,735	4,899	5,766	5,094	4,407	3,703	2,803	2,142	1,755	4,420
2010																
Male	4,097	4,292	4,556	4,539	3,830	4,045	3,866	4,151	5,098	5,949	5,299	4,297	3,431	2,395	1,805	2,929
Female	3,929	4,124	4,491	4,073	3,386	3,877	3,730	4,149	5,050	5,718	4,928	4,180	3,452	2,688	2,075	4,656
2015																
Male	4,278	4,350	4,420	4,383	3,727	4,382	4,521	4,292	4,367	5,190	5,831	5,030	3,923	3,071	2,156	3,345
Female	4,108	4,184	4,254	4,190	3,331	4,072	4,360	4,135	4,274	4,995	5,517	4,663	3,889	3,306	2,609	5,102
2020																
Male	4,441	4,497	4,477	4,250	3,597	4,261	4,880	4,979	4,516	4,451	5,089	5,539	4,599	3,520	2,776	3,946
Female	4,258	4,335	4,313	3,965	3,423	4,018	4,559	4,781	4,259	4,225	4,817	5,219	4,340	3,729	3,213	5,942

Source: Wisconsin Dept. of Administration, Demographic Services, October 2003

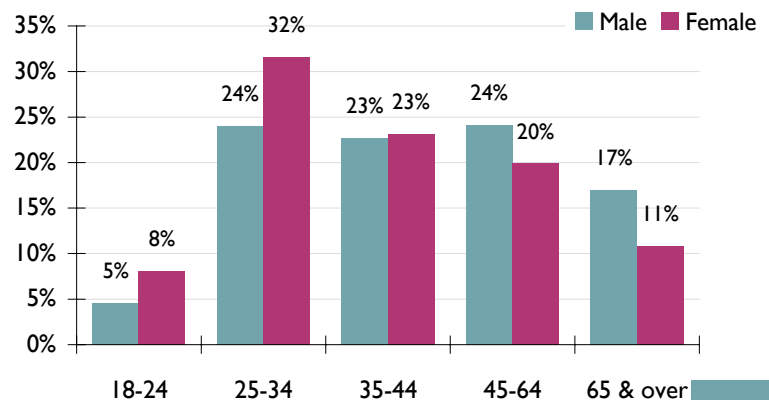
cate. The county is projected to have the state's 16th fastest growing population.

There is almost no population discussion where the issue of "aging population" goes unmentioned, and for good reason as the age dynamics over the next 20 years will be unprecedented. A profile alone could be devoted to this single topic so for the sake of brevity the following will examine the change in age composition of the county's population in 2000 and 2020.

The younger portion of the population (ages 29 and younger) will become a slightly smaller portion of the population declining from 39 percent to 36 percent of the total. Residents between 30 and 60 years of age, whom are the largest portion of the population in both time periods, will decline from 45 percent to 41 percent of the total. And those over age 60 will become a dramatically larger portion of the total increasing from 15 percent to 23 percent of the population. In fact, those over the age of 60 in 2020 are projected to number 81 percent higher than in 2000. The population by age group graph in the middle of this page outlines some of the changes that are projected to be on the horizon. One will notice that the younger age cohorts do not see much real increase and are expected to only grow by 18 percent. Most of the projected population growth is distributed to the older end of the graph. The implications of this on the labor force will be discussed in the next section.



Percent of age group with at least a Bachelor's degree in Washington County



Source: US Dept. of Commerce, Census 2000, Summary file 4, QT-P20

Labor Force Characteristics

The labor force is the sum of a location's employed and unemployed. Participants must be 16 years of age and the unemployed must be actively looking for work to be counted. The most popular metric that comes from the labor force is the unemployment rate, which is the percentage of unemployed of the total labor force.

Washington County's labor force numbered almost 70,000 members by 2002. Since 1997, the total labor force has grown by almost four percent, composed of 1.5 percent growth in the number of employed residents (+984) combined with 84 percent growth in the unemployed (+1,545). Labor force growth was clearly weighted to the side of unemployment rather than employment and this is what precipitated the unemployment rate to increase from 2.8 percent in 1997 to 4.9 percent in 2002.

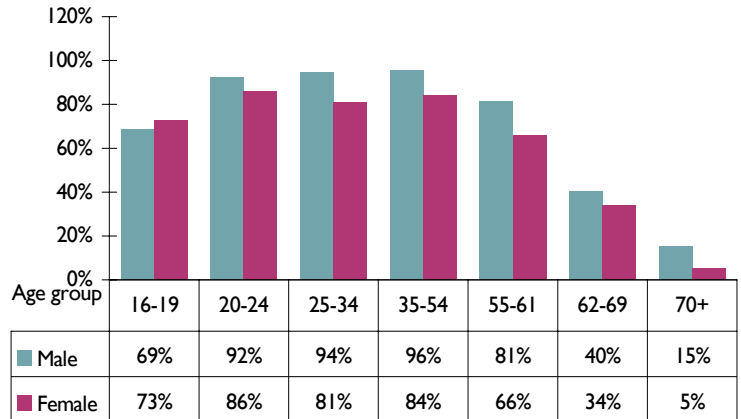
While the unemployment rate is usually the measure that gets the most attention when judging the state of the local economy, the annual labor force participation rate (LFPR) adds qualitative description to the local economy. The LFPR measures how many of those of the total population over the age of 16 are active in the labor force, either as employed or unemployed. Washington County's annual LFPR for 2002 was 75.8 percent; higher than both the state and national LFPR of 73 and 66.6 percent, respectively. The scope of LFPR reaches both economically and demographically meaning that LFPR can be dictated by weak or strong labor demand, but it can also hint at the age characteristics of a location as well.

The county's LFPR of 75.8 percent implies that 24.2 percent of those over the age of 16 do not participate. Essentially there are two reasons that a person does not engage in the labor force: a) they do not have to or want to, and b) they are "marginally attached" to the labor force meaning they want to work but are having difficulty finding work. The majority of the 24 percent not participating in Washington County do so willingly as they are most likely those who have retired. This refers to how age of a local area can affect LFPR.

The LFPR graph in the middle of this page shows decline over the last five years. The flattening of these rates is probably a reflection of both economic and demographic aspects. It reflects the economy as many who built wealth over the last decades could afford

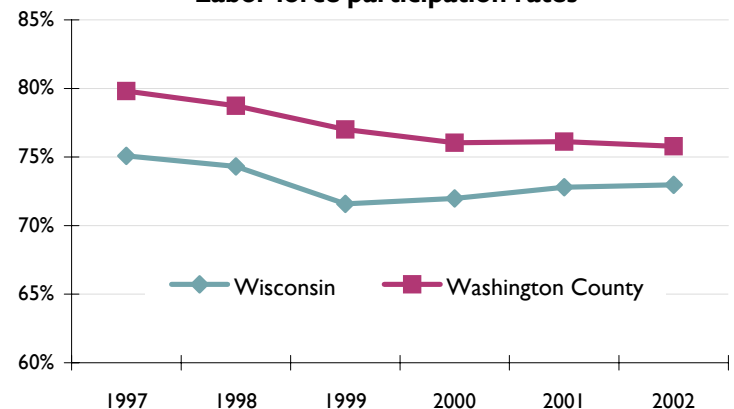
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Washington Labor Force Participation by Age & Sex in 2000



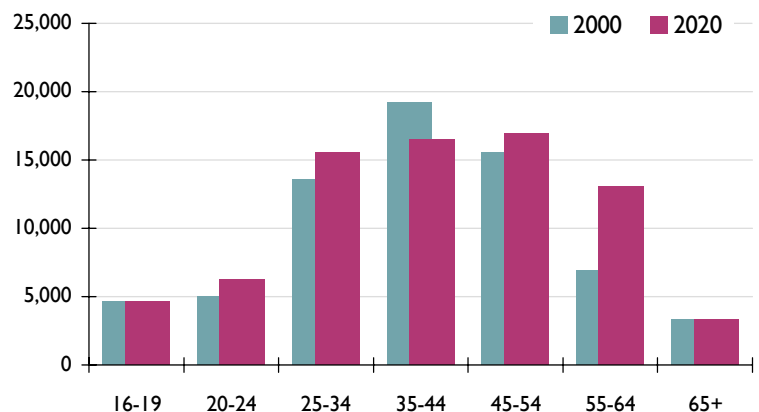
Source: US Dept. of Commerce, Census 2000, Summary file 4, PCT-79

Labor force participation rates



Source: WI DWD, Office of Economic Advisors, 2003

Labor Force by Age in 2000 & 2020 in Washington County



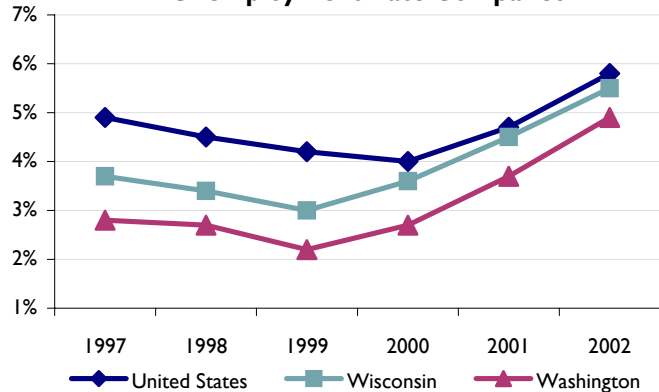
Source: DWD, Office of Economic Advisors, US Census, SF-4 (PCT-79), WI Demographic Services

Washington County Workforce Profile

retirement adding another qualitative dimension to the aging population. But it probably also reflects the soft economy that began in 2000 and has continued to dampen employment prospects leaving many discouraged and out of the labor force.

The future labor force is expected to grow about 13 percent from 2000 to 2020 compared to growth of 23 percent growth of those 16 years and older. This implies flat LFPR. A larger portion of the total labor force will come from the older age groups and there will be slight increases in the younger cohorts as well. The overall effect of these shifts will probably bear fewer workers in key occupations that will cater to a larger and older population.

Unemployment Rate Comparison



Washington County Civilian Labor Force Data

	1997	1998	1999	2000	2001	2002
Labor Force	66,696	67,534	67,092	67,942	69,872	69,225
Employed	64,850	65,728	65,593	66,098	67,261	65,834
Unemployed	1,846	1,806	1,499	1,844	2,611	3,391
Unemployment Rate	2.8%	2.7%	2.2%	2.7%	3.7%	4.9%

Source: WI DWD, Bureau of Workforce Information, LAUS program, 2003

Occupations in demand

Occupational information requests outnumber every other labor market information customer request. This is due to the fact that all parties involved in the labor transaction-employers and job-seekers are keenly interested in career direction, education and training requirements, and importantly, wages associated with careers.

The table to the right examines the fastest growing occupations in the WOW region (Washington, Ozaukee and Waukesha Counties) and occupations that will have the most openings between 2000 and 2010 and the occupations' average hourly wages in 2001.

The distinctions between the fastest growing and those with most openings are obvious; wages and educational requirements are quite different. Occupations with the most openings tend to be entry-level needing less educational requirement or training and may have higher turnover as people move up career ladders. Occupations that are growing quickly may not necessarily grow abundantly. They are pervasive in technical fields and most require some form of post-high school training or formal education. The wage premium for higher education attainment is evident in this example and is exemplary of changing labor demand.

WOW Region Occupation Projections: 2010

	Top Ten Occupations	Education & Training Typically Required*	Average Wage**
Fastest Growth	Computer Support Specialists	Associate degree	\$19.81
	Computer Soft Engrns Systms Soft	Bachelor's degree	\$29.63
	Computer Software Engrns Apps	Bachelor's degree	\$31.26
	Network Systms/Data Comm Anal	Bachelor's degree	\$25.22
	Network/Computer Systems Admin	Bachelor's degree	\$25.88
	Personal and Home Care Aides	1-month or less training	\$8.88
	Medical Records/Health Info Techs	Associate degree	\$11.44
	Computer Specialists/All Other	Postsecondary voc. trng	\$27.99
	Medical Assts	1-12 mo. on-the-job training	\$13.86
	Social/Human Service Assts	1-12 mo. on-the-job training	\$13.70
Most Openings	Retail Salespersons	1-month or less training	\$10.09
	Cashiers	1-month or less training	\$7.61
	Comb Food Prep/Serv Wrk/Incl Fast	1-month or less training	\$8.08
	Waiters/Waitresses	1-month or less training	\$6.38
	Labrs/Frght/Stock/Matrl Movers/Hand	1-month or less training	\$11.05
	Office Clerks/General	1-month or less training	\$10.99
	Stock Clerks/Order Fillers	1-month or less training	\$9.52
	Customer Service Reps	1-12 mo. on-the-job training	\$15.31
	Registered Nurses	Bachelor's degree	\$23.32
	Janitors/Cleanrs Ex Maids/Hskpng	1-month or less training	\$10.94

* The most common way to enter the occupation, not the only way

** Wages from Occupation Employment Statistics survey responses for region, 2001

WOW WDA includes Ozaukee, Washington and Waukesha counties.

Source: WI DWD, Bureau of Workforce Information, 2002

County Commuting Patterns

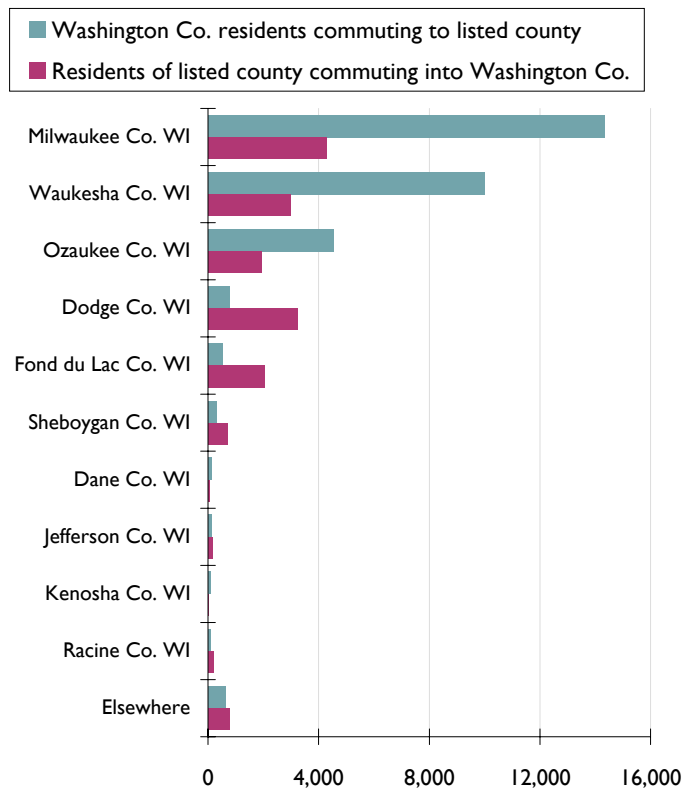
This topic is arguably one of the more underrated yet highly anticipated pieces of labor market information. It is key information when profiling a local economy. These data are released every 10 years by the U.S. Bureau of Census, but may be surveyed annually via the American Community Survey, which is a new approach the bureau is undertaking to meas-

ure the U.S. population between the decennial censuses.

Commuting juxtaposes two simple questions: “where do you live?” and “where do you work?”. Washington County’s overall commuting figures show that about half of the county’s employed residents work elsewhere than Washington County.

The graph and table on this page display the commuting dynamics and show that Milwaukee and Waukesha Counties have far more Washington County residents commuting into their locations than they send into Washington County. This makes a good deal of sense as many who work in Milwaukee and Waukesha have made Washington County their homestead taking advantage of the expanse of the area for a relatively reasonable price, though values are certainly increasing. Ozaukee, Waukesha and Washington have the three highest median housing values in the state with Washington County being the least congested of the three counties adding value to the purchase.

Washington County does attract workers from elsewhere and shows net commuting gains with Dodge, Fond du Lac and Sheboygan Counties. Job growth, from a longer-term perspective, has been strong and appealing to those in surrounding counties, but the fact remains that commuting out of Washington County for its residents is a necessity as the county has a smaller number of jobs, approximately 48,000 than the number of employed residents, 66,000.



	Washington Co. residents commuting to listed county	Residents of listed county commuting into Washington Co.	Net gain or loss of workers
Milwaukee Co. WI	14,335	4,266	-10,069
Waukesha Co. WI	9,983	2,995	-6,988
Ozaukee Co. WI	4,545	1,934	-2,611
Dodge Co. WI	791	3,230	2,439
Fond du Lac Co. WI	541	2,057	1,516
Sheboygan Co. WI	315	705	390
Dane Co. WI	131	56	-75
Jefferson Co. WI	115	152	37
Kenosha Co. WI	77	25	-52
Racine Co. WI	76	207	131
Elsewhere	645	789	144



Source: US Dept. of Commerce, Census 2000, County-to-county worker-flow files

Industry Employment -

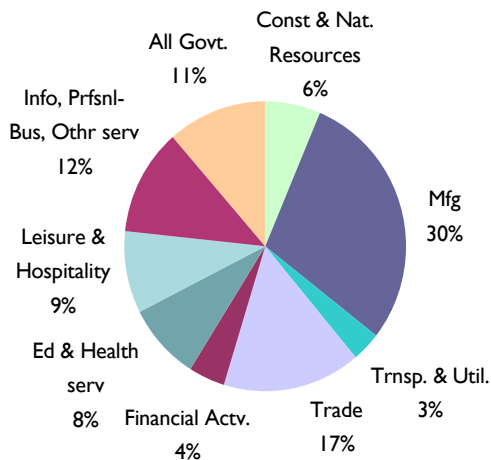
Introducing NAICS (North American Industry Classification System)

The North American Industry Classification System (NAICS) is a new way of categorizing employers by industry as of 2002. It replaces the old system known as Standard Industrial Classification (SIC).

A tome could be written explaining why the change and what the differences are. For the sake of brevity, NAICS was introduced to reflect a changing economy (new and evolving industries) and to include all three North American countries in a uniform coding system.

NAICS gives more industry detail reflecting indus-

Washington County Industry Distribution: 2002



tries that are more contemporary than its coding predecessor. SIC and NAICS data cannot be compared to one another even if the industries share the same or similar name. The new coding system is so different that one cannot assume that data retrieved are similar for comparison. The table at the bottom of the page shows the 2002 industry composition for Washington County in the present and former coding systems. *Note: data in the NAICS format is only available for years 2001 and 2002 at the time of publication. It is hoped that data retroactively coded back to 1990 will be available in 2004 so readers can see how these industry sectors have changed.*

Washington County's industry employment distribution compared to Wisconsin shows lower percentages of employment in education and health services; government; information, professional, business, and other services; financial activities; and transportation and utilities employment. It shows the same percentage in leisure and hospitality employment. It is higher than state average in construction and natural resources; trade; and is considerably higher in manufacturing employment, 29 percent vs. 18 percent for Wisconsin.

The next page lists the top ten industries and employers and the reader will see exactly why manufacturing has such a strong presence in this county.

(Continued on page 7)

2002 Industry Employment in Washington County: A comparison of two classification systems

NAICS Super-sectors	Employment	Distribution	SIC Industry Divisions	Distribution
Construction, natural resources & mining	3,116	6%	Construction & Mining	6%
Manufacturing	14,514	29%	Manufacturing	32%
Transportation, warehousing & utilities	1,661	3%	Transportation, utilities & communication	4%
Trade (wholesale & retail)	7,986	16%	Wholesale trade	6%
			Retail trade	19%
Financial activities	2,081	4%	Finance, insurance & real estate	4%
Information, professional & business services, other services	5,935	12%	Services & misc (incl. agr, forestry, fishing)	19%
Education and health services	4,178	8%	Government	11%
Leisure & hospitality	4,594	9%		
Government	5,688	11%		

Source: WI DWD, Bureau of Workforce Information, Current Employment Statistics Program, March 2003

Washington County Workforce Profile

The four largest employers are manufacturers as well as three of the top five employing industries. These industries, of course, have suffered through weaker product demand and the recession hit these industries very hard necessitating smaller payrolls. The soft economy has hit durable-goods producers particularly hard, though nondurable producers such as the printing and related support activities industry

showed a significant reduction in employment as well. The services-providers on these lists display a large presence of health care providers, which are a marquee growth industry in Wisconsin and this area. The aging population will have more demand for health services. The area is seeing this now and will continue to do so in the coming years.

Top 10 Industry Groups in Washington County

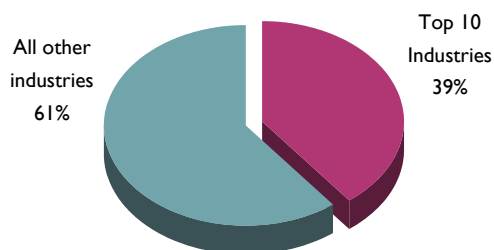
Industry Group	March 2003		Numeric change 2002 - 2003
	Employers	Employees	
Food Services and Drinking Places	167	3,384	-110
Educational Services	18	3,268	58
Fabricated Metal Product Manufacturing	83	3,208	-20
Machinery Manufacturing	83	2,336	-261
Printing and Related Support Activities	18	2,098	-191
Specialty Trade Contractors	346	2,021	59
Executive, Legislative, & Gen Government	20	1,487	4
Ambulatory Health Care Services	91	1,448	501
Merchant Wholesalers, Durable Goods	142	1,361	50
Nursing and Residential Care Facilities	18	1,341	62

*data suppressed to maintain confidentiality

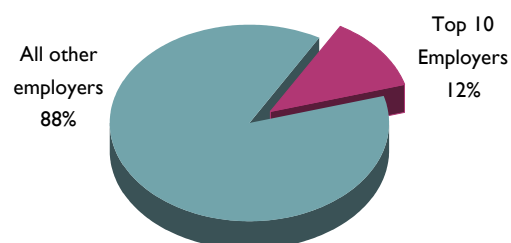
Top 10 Private Employers in Washington County

Company	Product or Service	Size
Serigraph, Inc.	Commercial lithographic printing	1000 +
Broan-Nutone LLC	Electric housewares and household fan manufacturing	500-999
Regal Ware, Inc.	Kitchen utensil, pot, and pan manufacturing	500-999
Quad/Graphics, Inc.	Commercial lithographic printing	500-999
Saint Joseph's Community Hospital	General medical & surgical hospitals	500-999
Benevolent Corp. Cedar Campuses	Nursing care facilities	500-999
Ultra Mart Foods, Inc.	Corporate, subsidiary, and regional managing offices	500-999
West Bend Mutual Insurance Co.	Direct property and casualty insurance carriers	500-999
Sysco Food Services of Eastern WI	General line grocery merchant wholesalers	500-999
Tecstar Mfg. Co.	Special die and tool, die set, jig, and fixture manufacturing	250-499

Share of jobs with top 10 industries



Share of jobs with top 10 employers



Source: WI DWD, Bureau of Workforce Information, ES-202 special report, First quarter, 2003

Washington County Workforce Profile

The table to the right shows the average wage paid by industry in Washington County and compares it to the state averages. As expected of a metropolitan county, wages are lower than average in all industries.

The graph below takes this a step farther and illustrates the comparative importance of industry employment levels to the total wages these sectors pay in Washington County. An example of how to read this graph is manufacturing employment composes about 30 percent of the county's employment, but pays about 38 percent of the county's total wages earned, putting a premium on this employment for its disproportionately high wages. On the other hand, leisure and hospitality employment shows the opposite effect with a higher employment ratio (10 percent) than wages paid in the county (three percent). This is due to the fact that much of leisure and hospital-

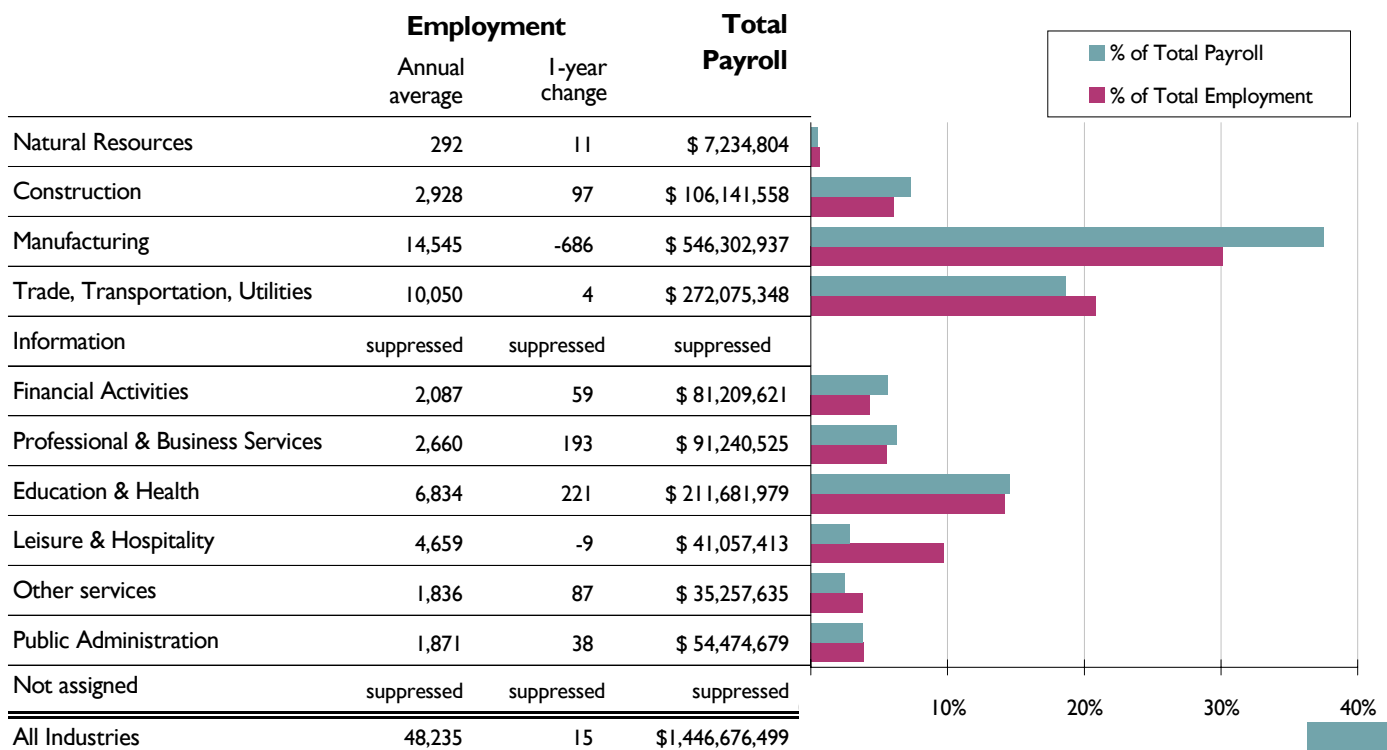
Average Annual Wage by Industry Division in 2002

	Average Annual Wage		Percent of	I-year
	Wisconsin	Washington County	Wisconsin	% change
All Industries	\$ 32,422	\$ 30,208	93%	2.5%
Natural resources	\$ 25,481	\$ 24,777	97%	1.2%
Construction	\$ 39,649	\$ 36,251	91%	1.0%
Manufacturing	\$ 40,584	\$ 37,560	93%	3.7%
Trade, Transportation, Utilities	\$ 28,422	\$ 27,072	95%	1.6%
Information	\$ 38,871	suppressed	suppressed	suppressed
Financial activities	\$ 40,337	\$ 38,912	96%	4.1%
Professional & Business Services	\$ 36,324	\$ 34,301	94%	2.3%
Education & Health	\$ 33,768	\$ 30,975	92%	4.2%
Leisure & Hospitality	\$ 11,837	\$ 8,812	74%	-2.0%
Other services	\$ 19,500	\$ 19,204	98%	-1.6%
Public Administration	\$ 33,769	\$ 29,115	86%	3.5%

Source: WI DWD, Bureau of Workforce Information, Covered Employment & Wages, August 2003

ity employment is entry-level, part-time and seasonal in nature. Manufacturing wages are higher on average due to more hours worked, the presence of collective bargaining agreements and longer job tenures that are not so pervasive in entry-level pay scales. Data for the information sector did not meet minimum release thresholds and were suppressed.

2002 Employment and Wage Distribution by Industry in Washington County



Source: WI DWD, Bureau of Workforce Information, Covered Employment and Wages, August 2003

Per Capita Personal Income (PCPI)

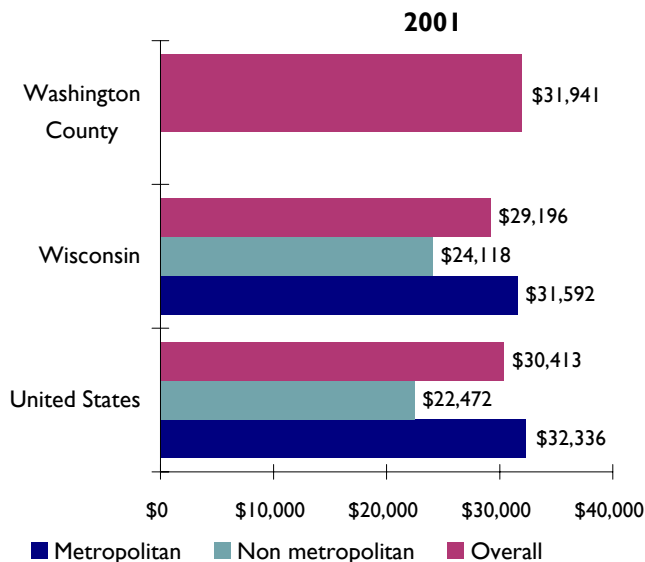
PCPI is typically the most popular and accepted indicator of economic health of an area's population. It is defined as an area's total income divided by the total population. Income is composed of earnings from work, dividends and interest from equities or other holdings and from transfer payment, which are various government payments.

Washington County has the fifth highest PCPI of the state's 72 counties. But over the last five years, PCPI has grown more slowly compared to state and national rates. In fact, over the past five years, the county's PCPI has grown faster than the state and nation only once, in 2001.

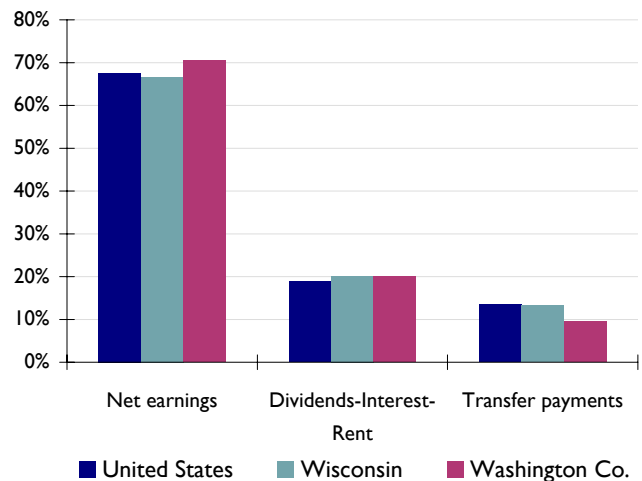
This is more than likely indicative of a county, whose total personal income is more reliant upon job earnings than by investment income or governmental transfer payments. The graph to the bottom right demonstrates the county's income composition compared to the state and nation. Wage growth has been flat in Wisconsin, which is a partial explanation, but the higher rate of Washington County PCPI growth compared to state average in 2001 is probably more telling of how the brutal equity markets' performance 2001 affected other locales with more income reliance on these activities than Washington County.

Per Capita Personal Income

	1996	1997	1998	1999	2000	2001	Percent Change	
							1 year	5 year
United States	\$24,270	\$25,412	\$26,893	\$27,880	\$29,760	\$30,413	2.2%	25.3%
Wisconsin	\$23,301	\$24,481	\$26,004	\$26,926	\$28,389	\$29,196	2.8%	25.3%
Washington County	\$26,178	\$27,190	\$28,631	\$29,530	\$30,959	\$31,941	3.2%	22.0%



Components of Total Personal Income: 2001



Source: US Dept. of Commerce, Bureau of Economic Analysis, State & Local Personal Income, May 2003, CAI-3, CA05

WWW addresses of source data

Wisconsin population estimates and projections:

<http://www.doa.state.wi.us/dir/index.asp>

Education levels of population, labor force participation rates, commuting patterns:

<http://www.census.gov/main/www/cen2000.html>

Labor force estimates (employed and unemployed), industry employment, average annual wages:

<http://www.dwd.state.wi.us/lmi/>

Occupations in-demand:

http://www.dwd.state.wi.us/lmi/wda_map.htm

Per Capita Personal Income:

<http://www.bea.gov/bea/regional/reis>

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